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The Henerable John L. McClellan, Chairman Permanent Subcommittee on Investigations Senate Committee on Government Operations Washington 25, D. C.

Dear Senator McClellan:

Reference is made to your letter of 2 December 1957 requesting information in connection with the policy and procedures of this Agency in adhering to the provisions of Article I, Section 9. Clause 8 of the Constitution of the United States.

The policy and procedures of the Central Intelligence Agency on this subject are set forth in Agency regulations which are quoted in portinent part in the enclosures berewith.

Portions of the quoted regulations have been emitted as they relate to certain specialised situations arising out of classified aspects of this Agency's activities. However, these regulations in their entirety have been examined by Mr. Joseph Maher of the Subcommittee staff, and, of course, if you would like to examine them personally we would be glad to make them available. As quoted they represent Agency policy and precodures in substance.

Your letter also requests us to list any instances falling within the cited provisions of the Constitution which have occurred in the past. We have reviewed the instances reported in accordance with the Agency regulations noted above and in each case the facts are classified as they involve confidential activities of this Agency. We feel we should not, therefore, make public a list of such instances, but if you wish further information in this regard I would be pleased to discuss this problem personally.

In general, gifts have been received and have in some instances been kept by the employees with Agency approval on the basis of their insignificant intrinsic value. There is no record of any money gift having ever been received by any employee of this Agency. We have not as yet disclosed any gifts or the names of recipients to the Department of State for the same reason we noted above in connection with any public disclosure of such a list at this time.

Sincerely,

Allen W. Dulles Director

Saclosures-2

OGC/LC:GLCJr:mks

Rewritten: OGC:LRH:jeb

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ADD CA

ER

DD/S
Director of Personnel

Director of Security

Legislative Counsel w/basic

General Counsel

Orig + 1 returned to Leg. Counsel for hand carry to Senator me Clellan STATey mr g Leg. Evensel Office.

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MEMORANDUM FOR:

exists in that the Constitution prohibits accepting any present, whereas our list indicates that in the majority of cases the employees have been authorized to retain the presents. Our regulations provide that in the case of perishables or gifts of insignificant intrinsic value, their retention may be authorized for "Agency purposes or for the benefit of Agency personnel as may be appropriate." This was not intended in the first instance to authorize retention by the employee but to provide a satisfactory practical disposition of such on our authorization for retention in the past and on our definition of insignificant intrinsic value.

LAWRENCE R. HOUSTON

General Counsel

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1 AUG 54 101 REPLACES FORM 10-101 WHICH MAY BE USED.

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